STATE OF CALIFORNIA STEVE WESTLY,
California State Controller

STATE CONTROLLER'S OFFICE PERSONNEL/PAYROLL SERVICES DIVISION P. O. BOX 942850 Sacramento, CA 94250-5878

DATE: December 8, 2004 PAYROLL LETTER #04-018

TO: All Agencies/Campuses in the Uniform State Payroll System

FROM: JOHN R. HARRIGAN, Chief Personnel/Payroll Services Division

RE: SUPPORT ADMINISTRATIVE FEE RATE CHANGE

AB2530 amended the Code of Civil Procedure Section 706.034, the Family Code Section 5235 and the Probate Code Section 3088 allowing the increase of the administrative service fee for each payment made pursuant to an earnings withholding order. Therefore, effective with payments issued on and after January 1, 2005 the State Controller's Office will increase the current administrative fee to one dollar and fifty cents (\$1.50) for each payment. The fee has not been adjusted since its establishment in August 1992. The fee increase is necessary to help offset costs the Controller's Office incurs processing earnings withholding orders.

The administrative fee will be withheld once per pay period for each earnings withholding order processed. For example, if an employee has only one support order the administrative fee will be \$1.50. If the employee has two support orders and a money judgment the administrative fee will be \$4.50. If an earnings withholding order is withheld from an additional or supplemental payment, the administrative fee will not be withheld.

Questions concerning this letter may be directed to Sandy Westlake at (916) 324-9008 or by email at swestlake@sco.ca.gov. Revisions to the Payroll Procedures Manual are forthcoming.

JRH:SW:PMAB